



UNITED STATES  
POSTAL SERVICE

# ***Mailers' Technical Advisory Committee***



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## ***Financial Update***

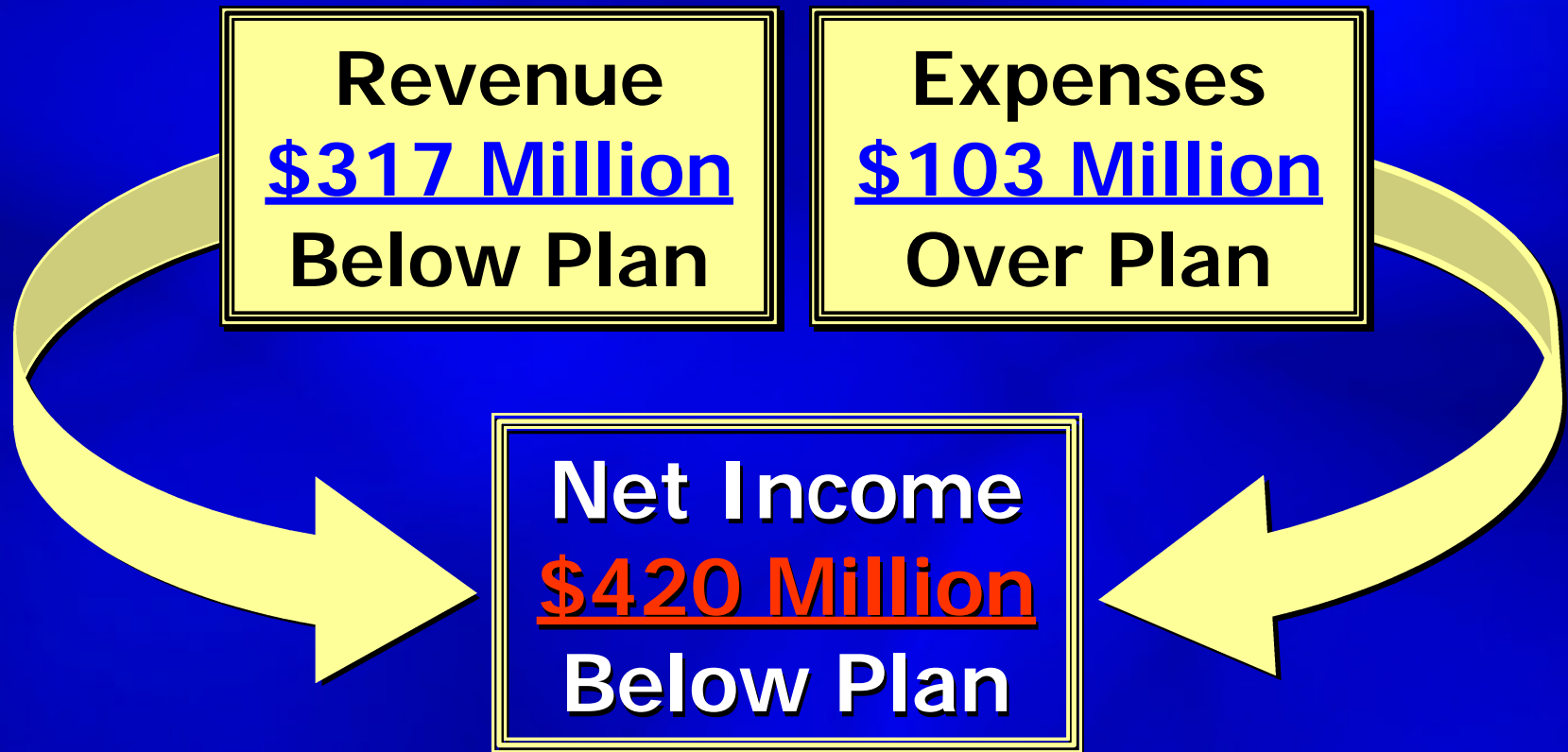


*January 31, 2001*



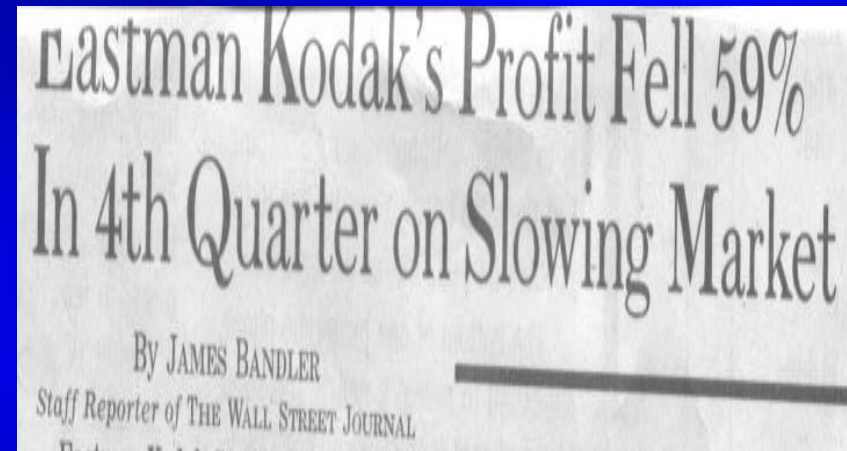


# Income Statement AP 4 YTD, FY 2001





# Economy - Business Impact



## *GM's Earnings Plunged in 4th Quarter; Firm Sees Marginal Profit for 1st Period*

BY GREGORY L. WHITE  
Staff Reporter of THE WALL STREET JOURNAL

ability will decline this year.

GM said it is comfortable with the cur-

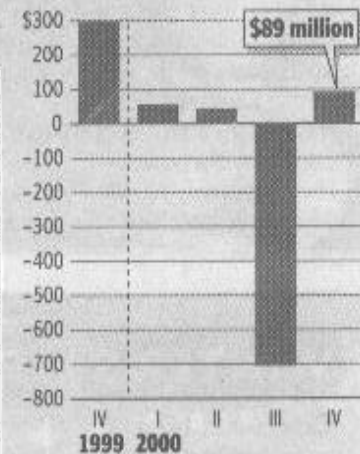


# Economy - Business Impact

## Lockheed Martin Posts 70% Drop in Earnings

### Lockheed Martin

Earnings or losses, in millions



SOURCE: Bloomberg News

## Slowing Economy Cited in 3M Report Of Profit Shortfall

By JOSEPH T. HALLINAN

Staff Reporter of THE WALL STREET JOURNAL

## Lucent to Trim 16,000 Jobs, Restructure

*Firm Posts \$1 Billion Loss, Plans Deep Cost Cuts*

By PETER S. GOODMAN  
Washington Post Staff Writer



# Economy - Business Impact

## Auto Industry

**GM to idle eight North American plants in February**

**What's Next for Beleaguered GM?**



**Chrysler to cut 26,000**

8:39 a ET

Carmaker DaimlerChrysler said on Monday it will slash 26,000 jobs at its loss-making U.S.





# Economy - Business Impact

## Retail - Consumer Industry

### Money

12/29/00 Updated 12:27 PM ET

### Montgomery Ward closes its doors



### Lands' End sees weak year

Catalog retailer says full-year earnings will be well below year earlier

January 11, 2001: 3:20 p.m. ET



### Sears to close 89 stores

No. 2 retailer to trim 2,400 jobs, mostly at auto unit, hardware stores

January 4, 2001: 3:31 p.m. ET

### Penney to Shut 50 More Stores

*Profit Eludes Retailer Even After Closings Last Year*



### Apple falls short

Computer maker's quarterly loss, first in three years, is deeper than expected

January 17, 2001: 5:59 p.m. ET



# Economy - Business Impact

## State of the Economy



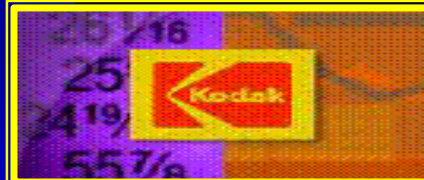
news: **Economy**



### Fed sees more slowing

Beige book economic summary indicates slower growth, stable prices

January 17, 2001: 3:29 p.m. ET



### Kodak profits tumble

World's biggest photo film maker cites sluggish sales and tough economy

January 17, 2001: 7:19 a.m. ET



### Bank One Reports Fourth Quarter Loss of 44 Cents Per Share

### Loews to Close 112 Movie Theaters

*Bankruptcy Looms After Chain Loses \$186 Million in Quarter*



### 3M misses Street

4Q is 8-cents a share below expectations due to slowing economy, strong dollar

January 16, 2001: 8:47 p.m. ET



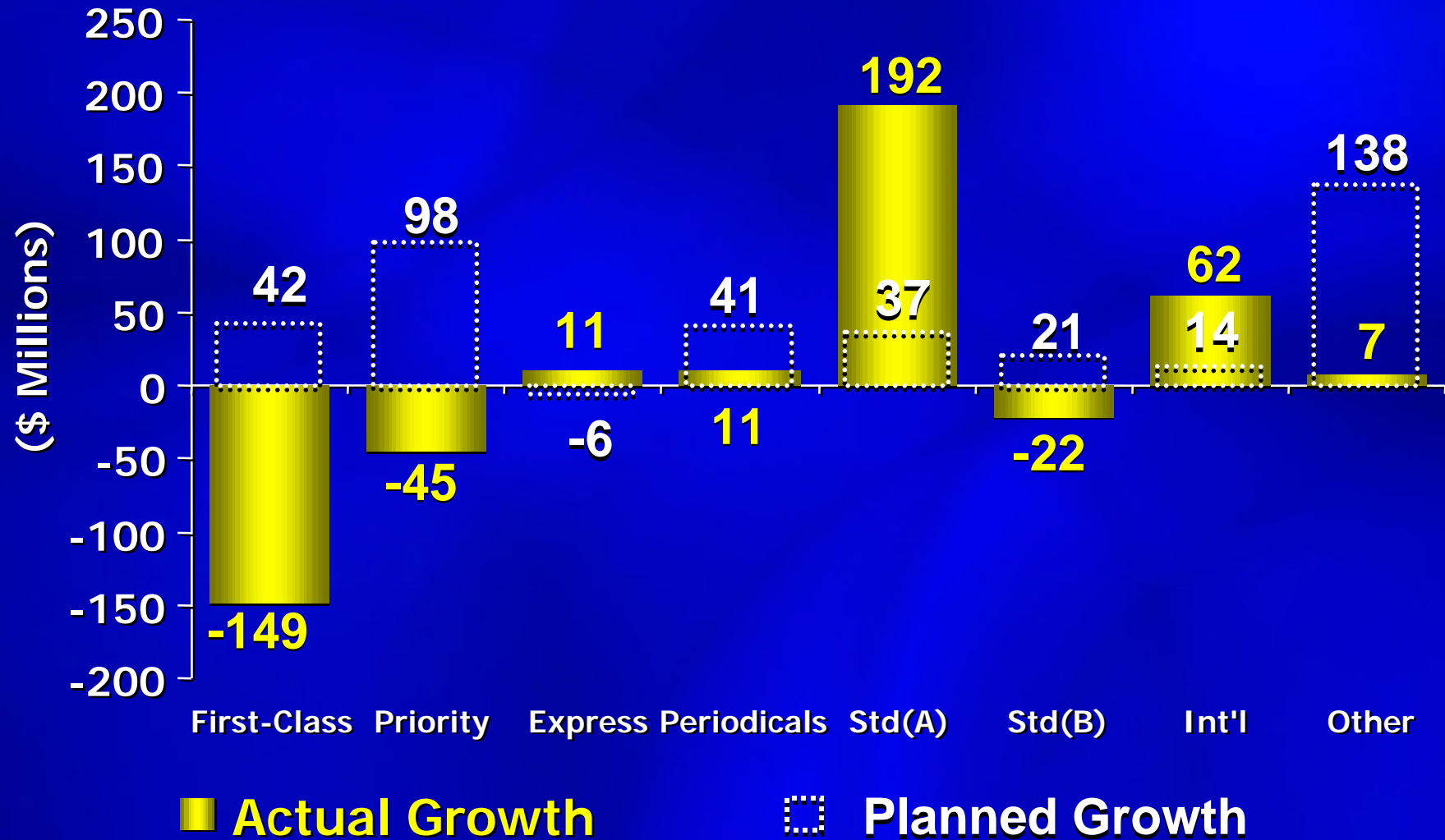
### Ericsson pulls phone plug

Swedish mobile phone maker to quit handset production; cuts sales forecast

January 26, 2001: 5:54 a.m. ET

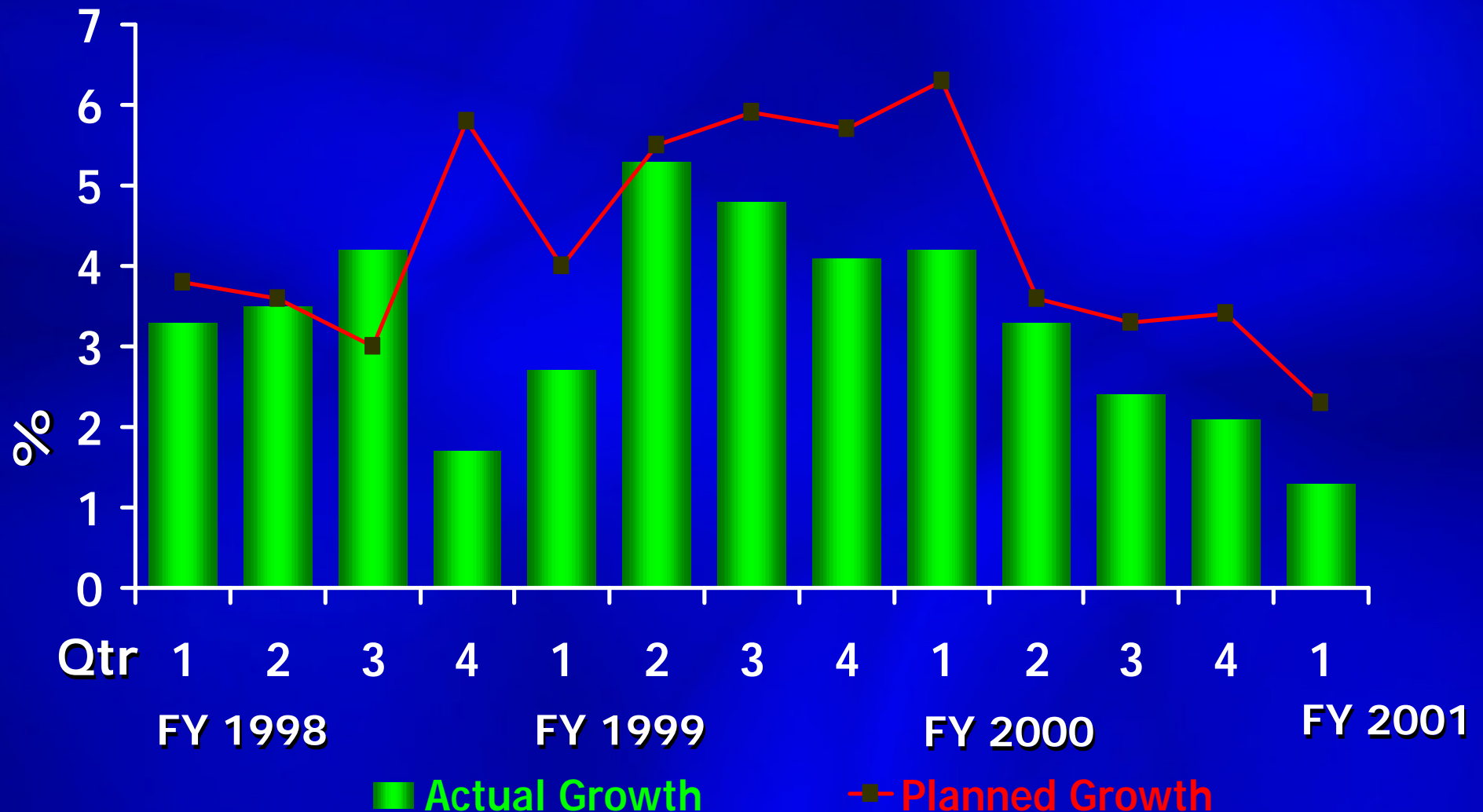


# Revenue Change AP 04 YTD, FY 2001





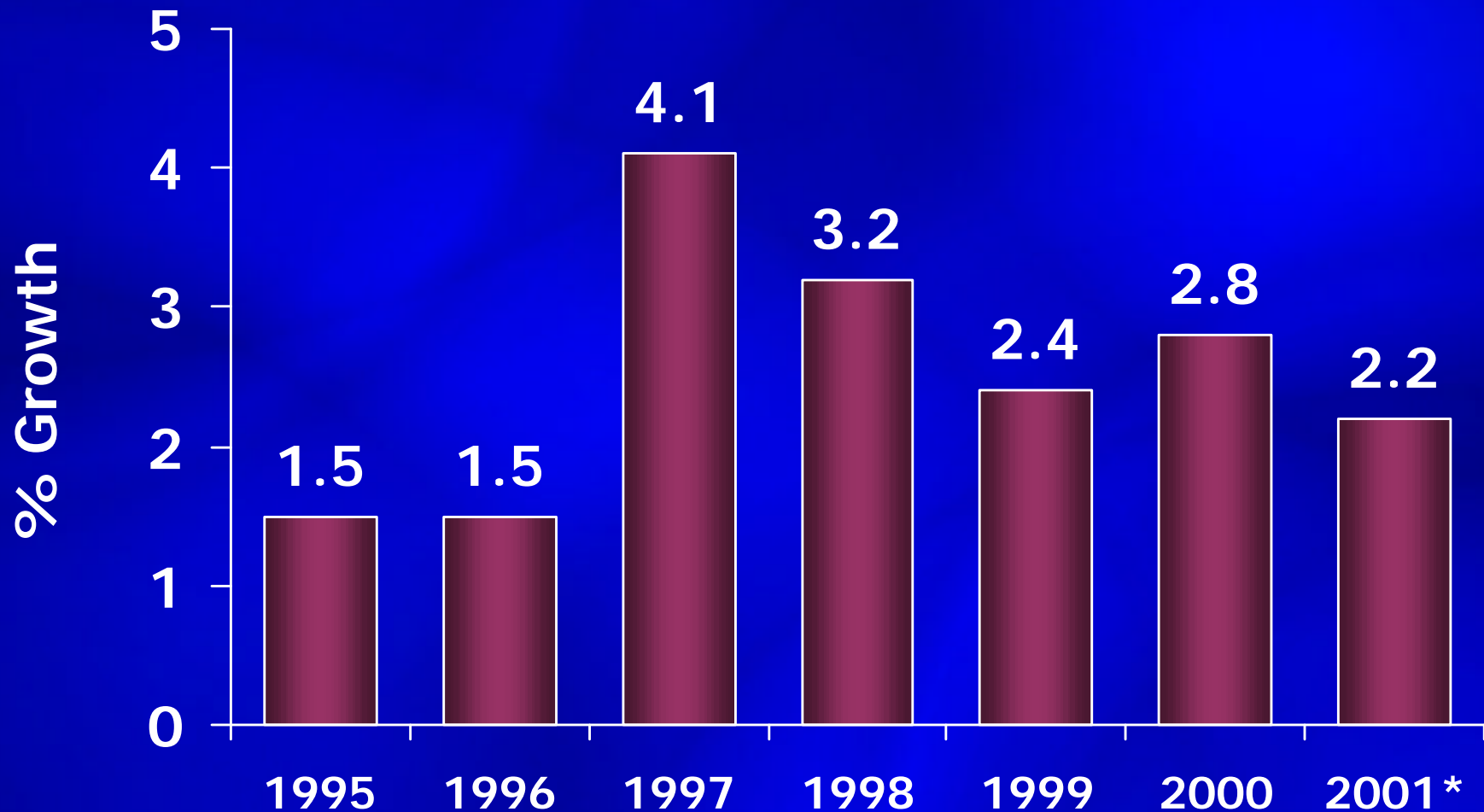
# Revenue Trend by Quarter, FY 1998-2001



Source RPW



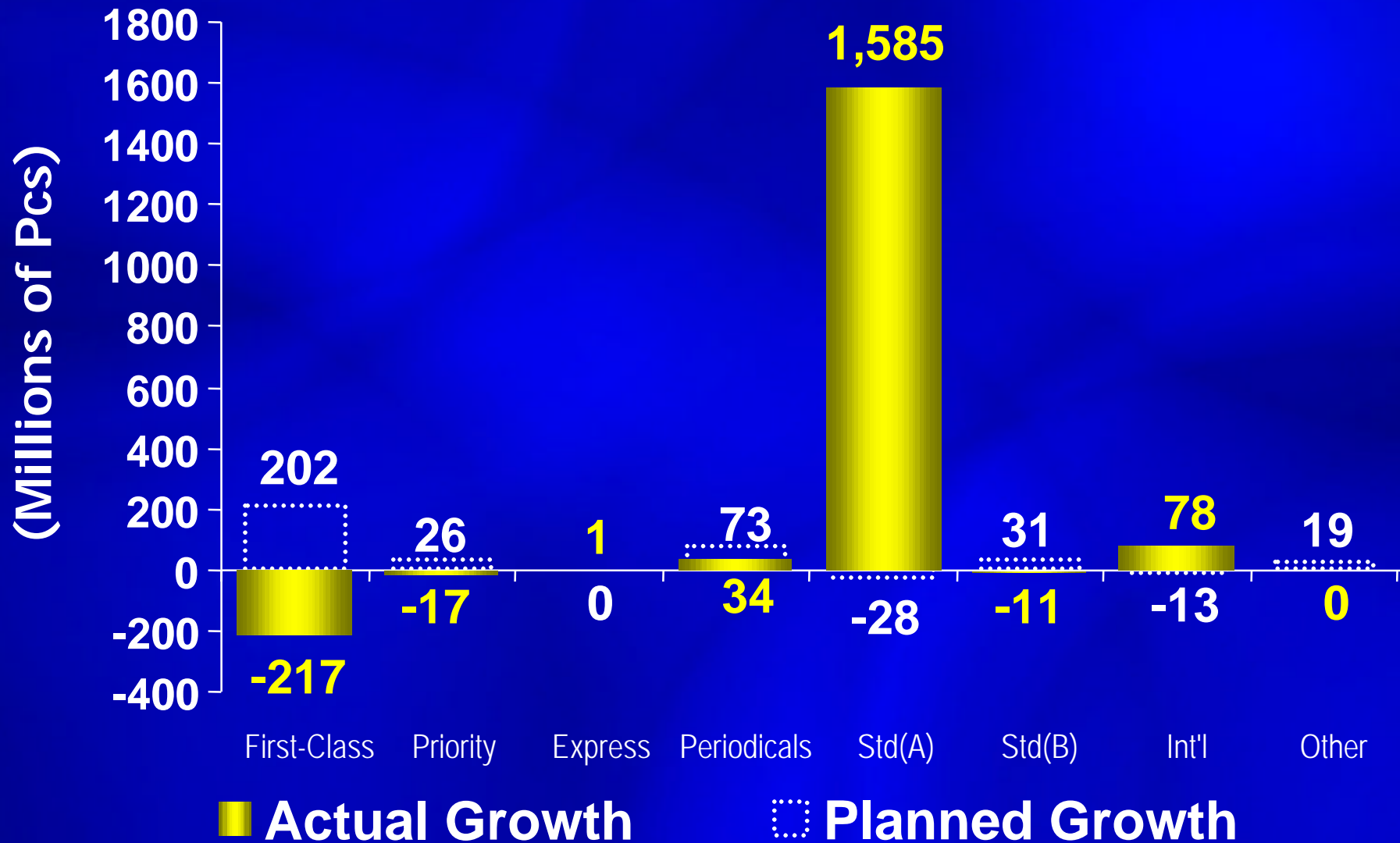
# Total Mail Volume Growth Trend - Annual



**\*AP 04 YTD**



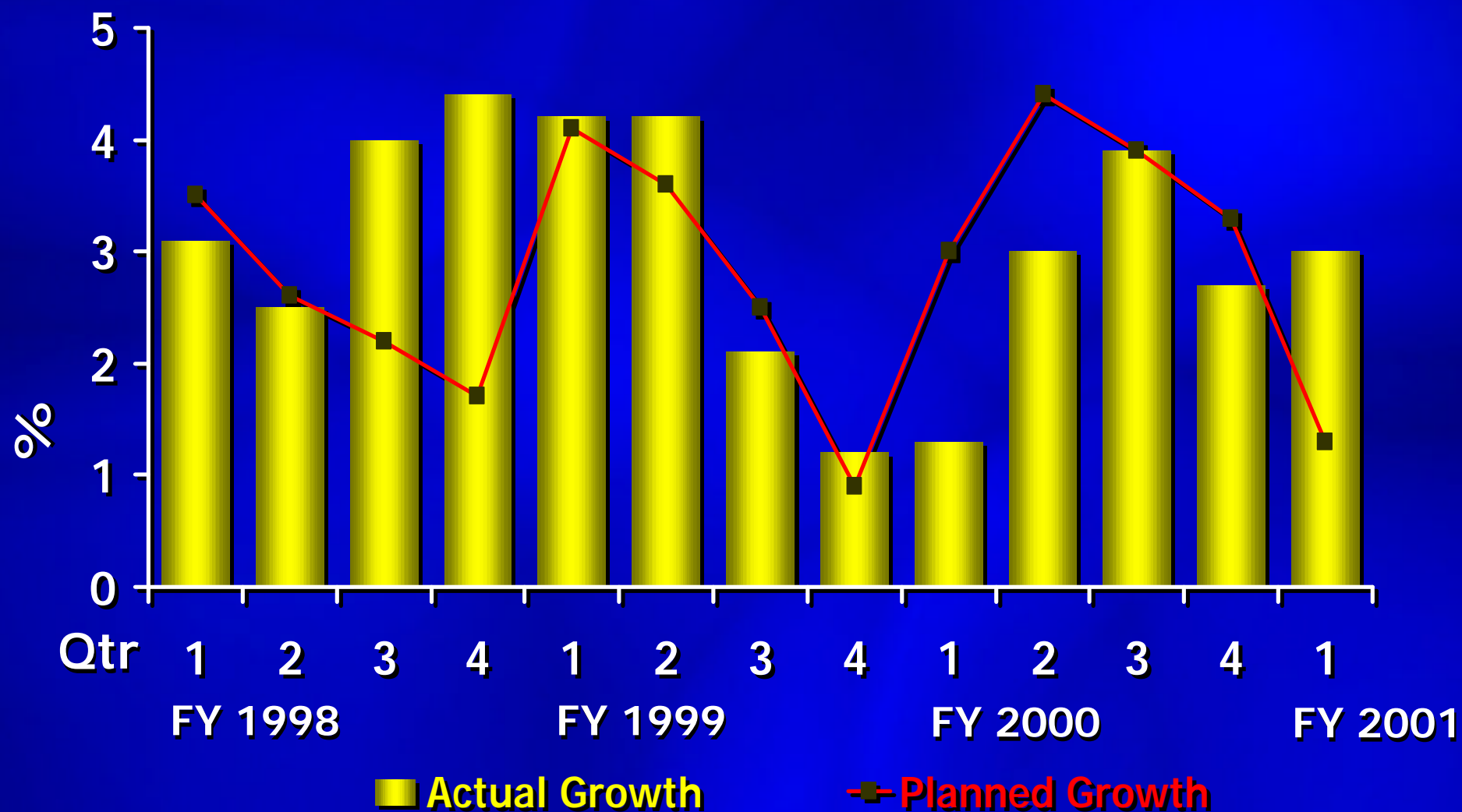
# Volume Change AP 04 YTD, FY 2001





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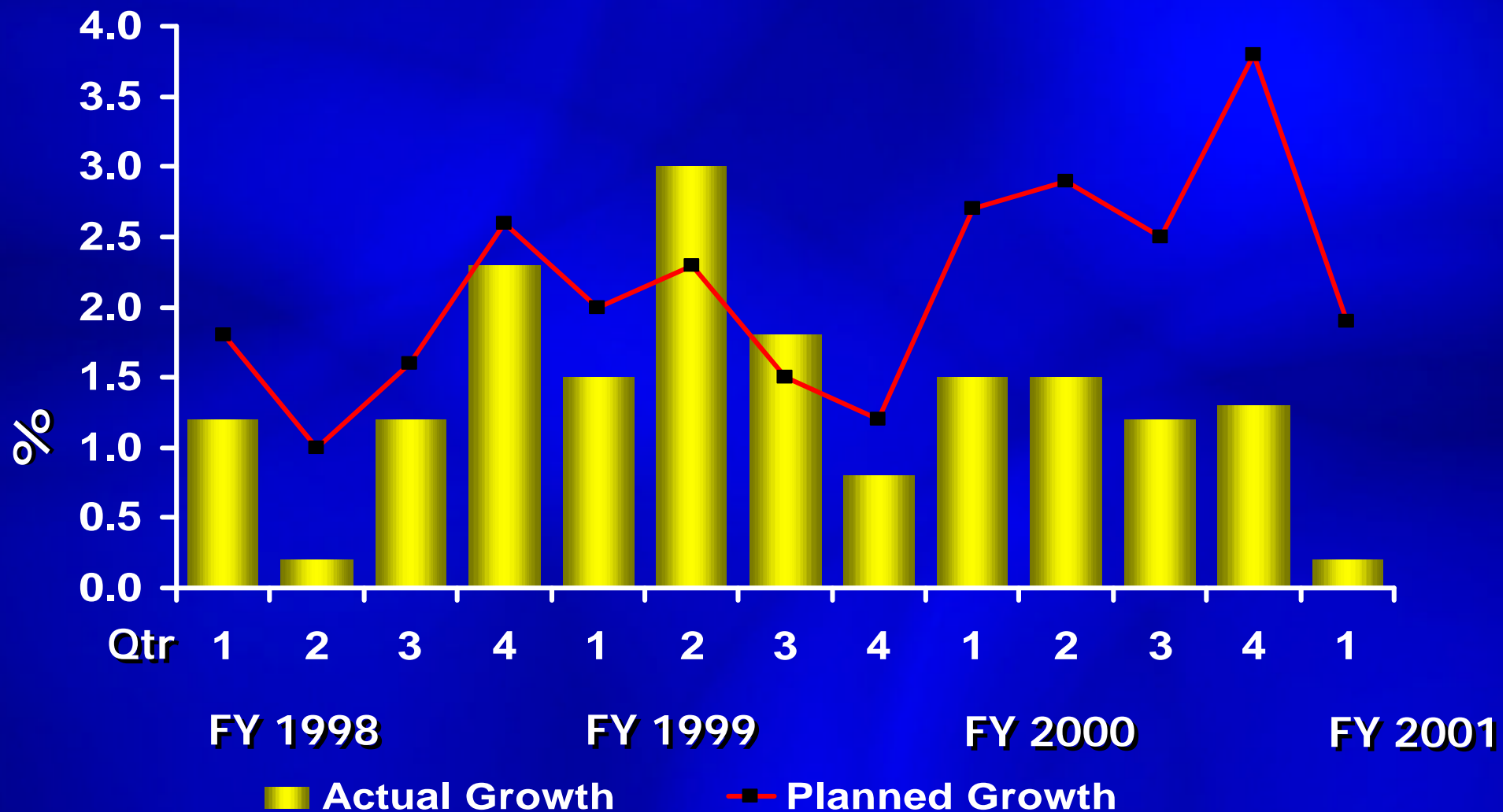
# Total Mail Growth by Quarter



Source RPW



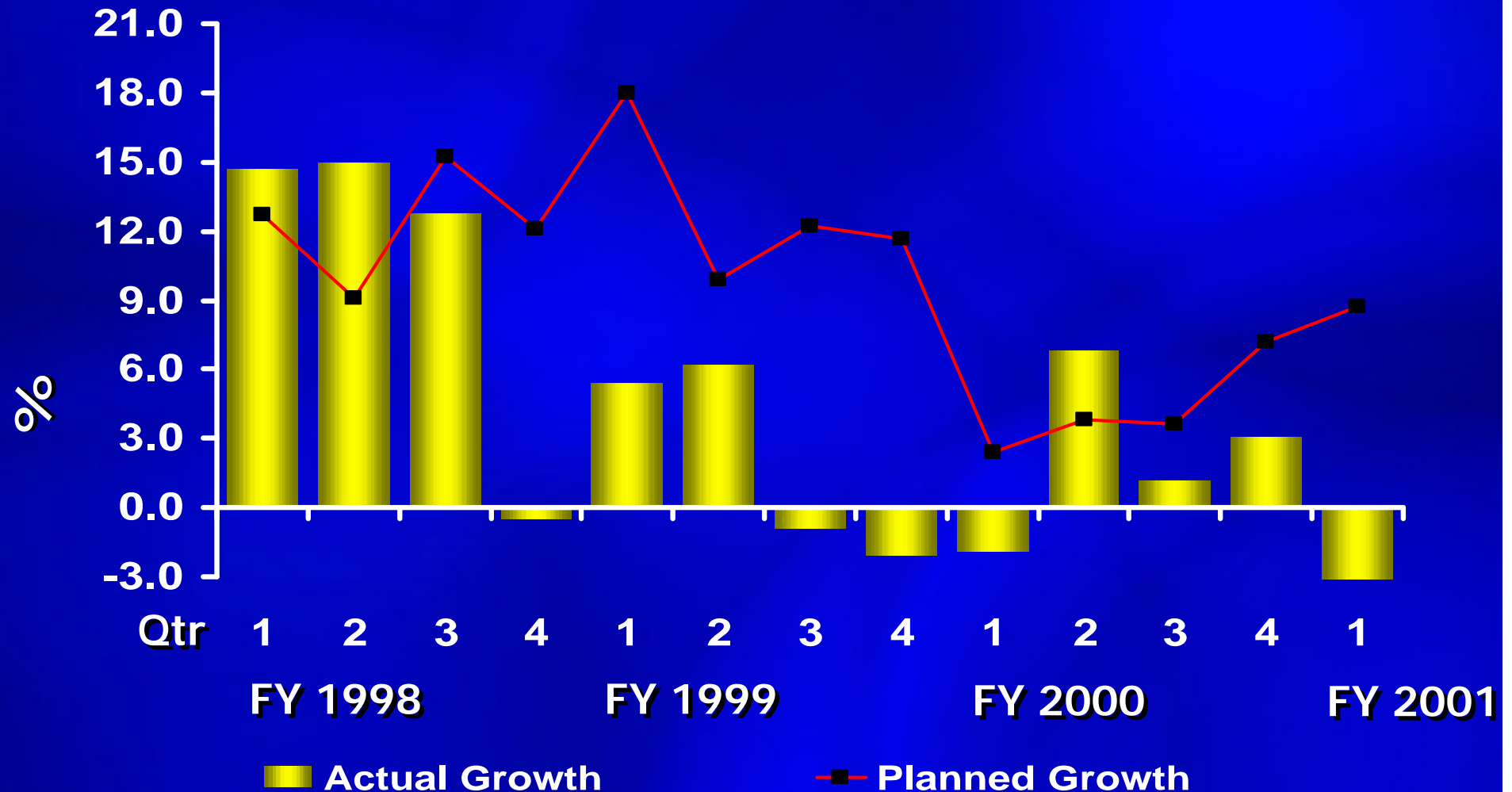
# First Class Mail Volume Trend by Quarter



Source RPW



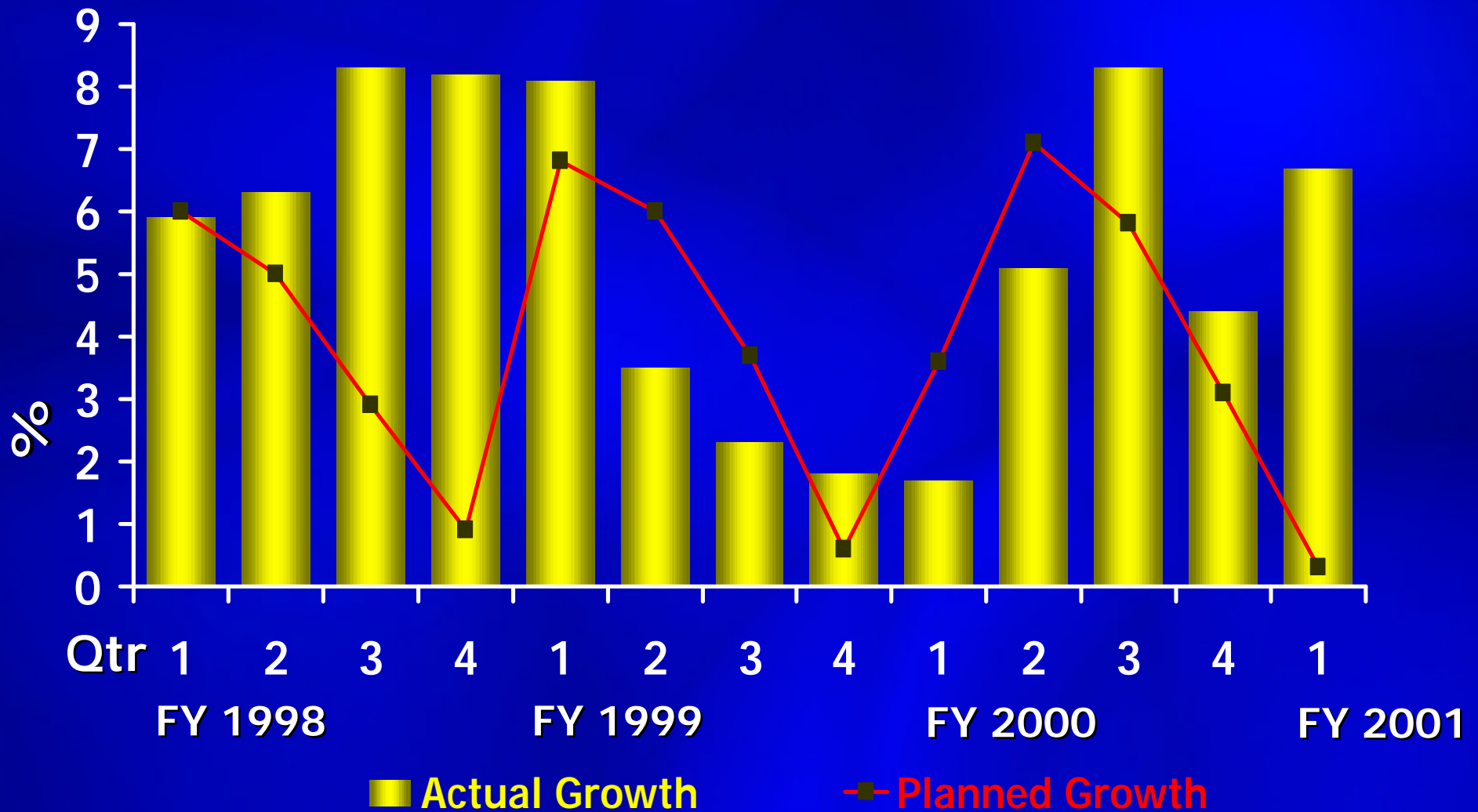
# Priority Mail Volume Trend by Quarter



Source RPW



# Standard (A) Volume Trend by Quarter

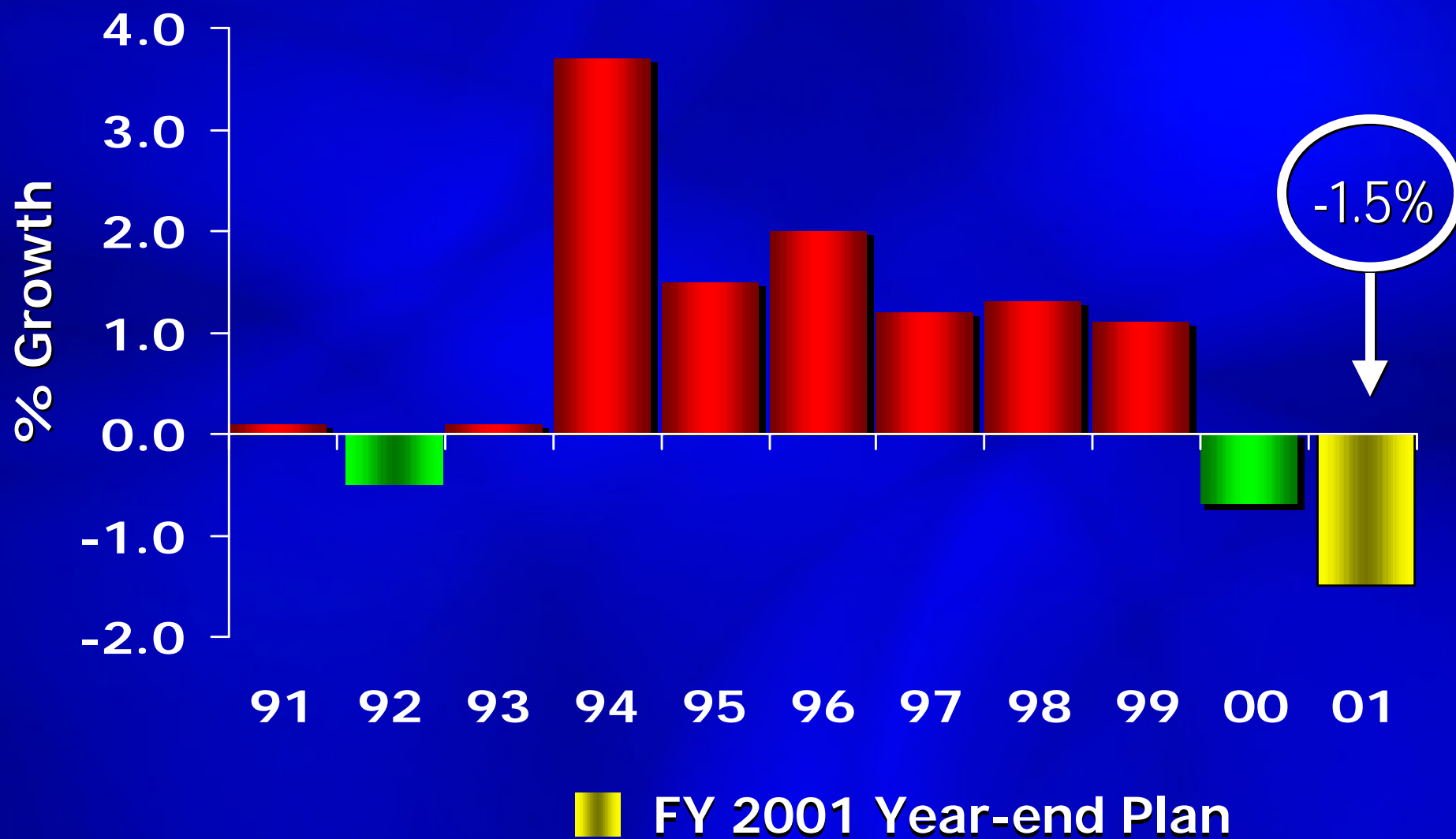


Source RPW



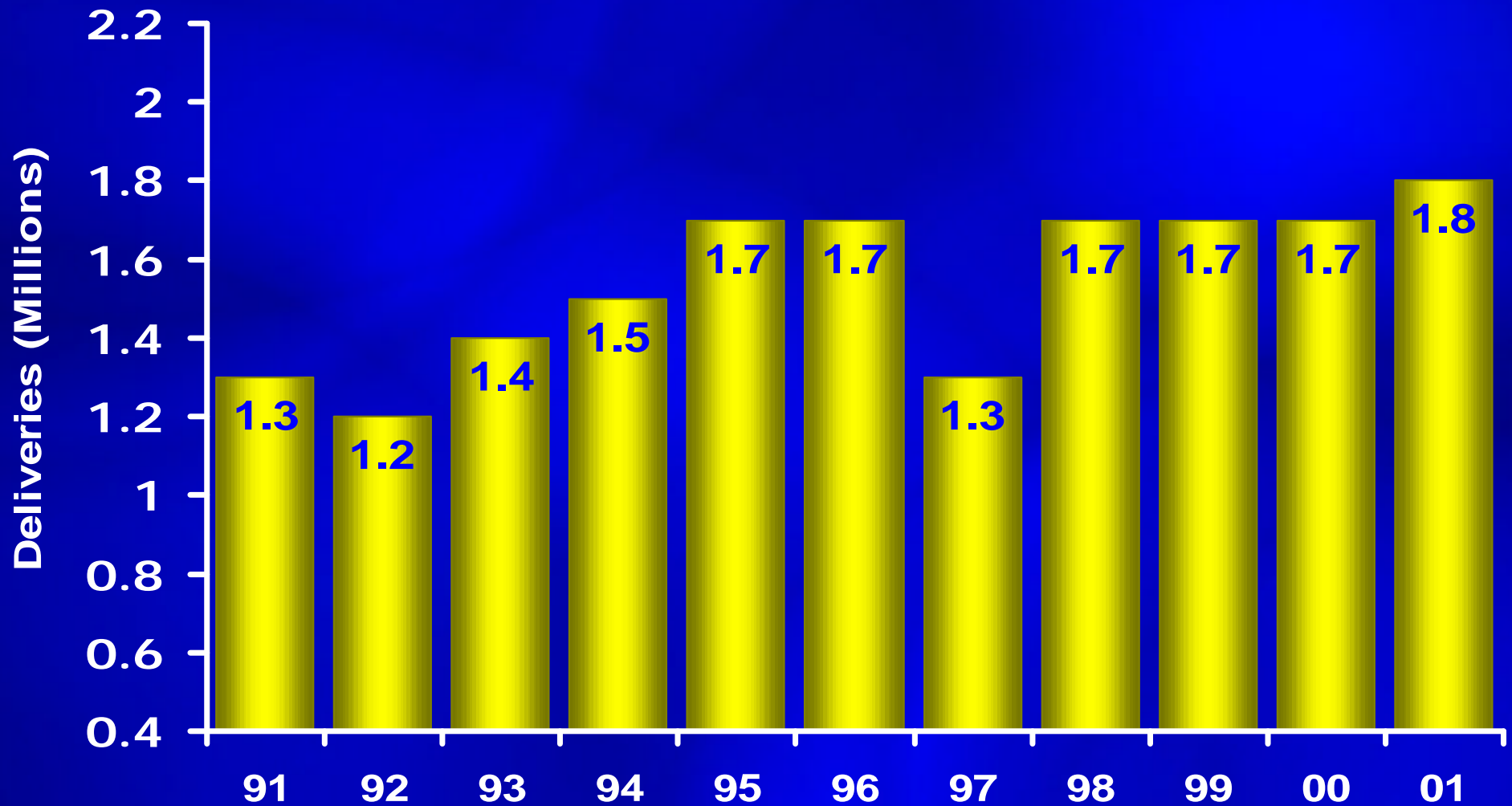
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# Workyear Change



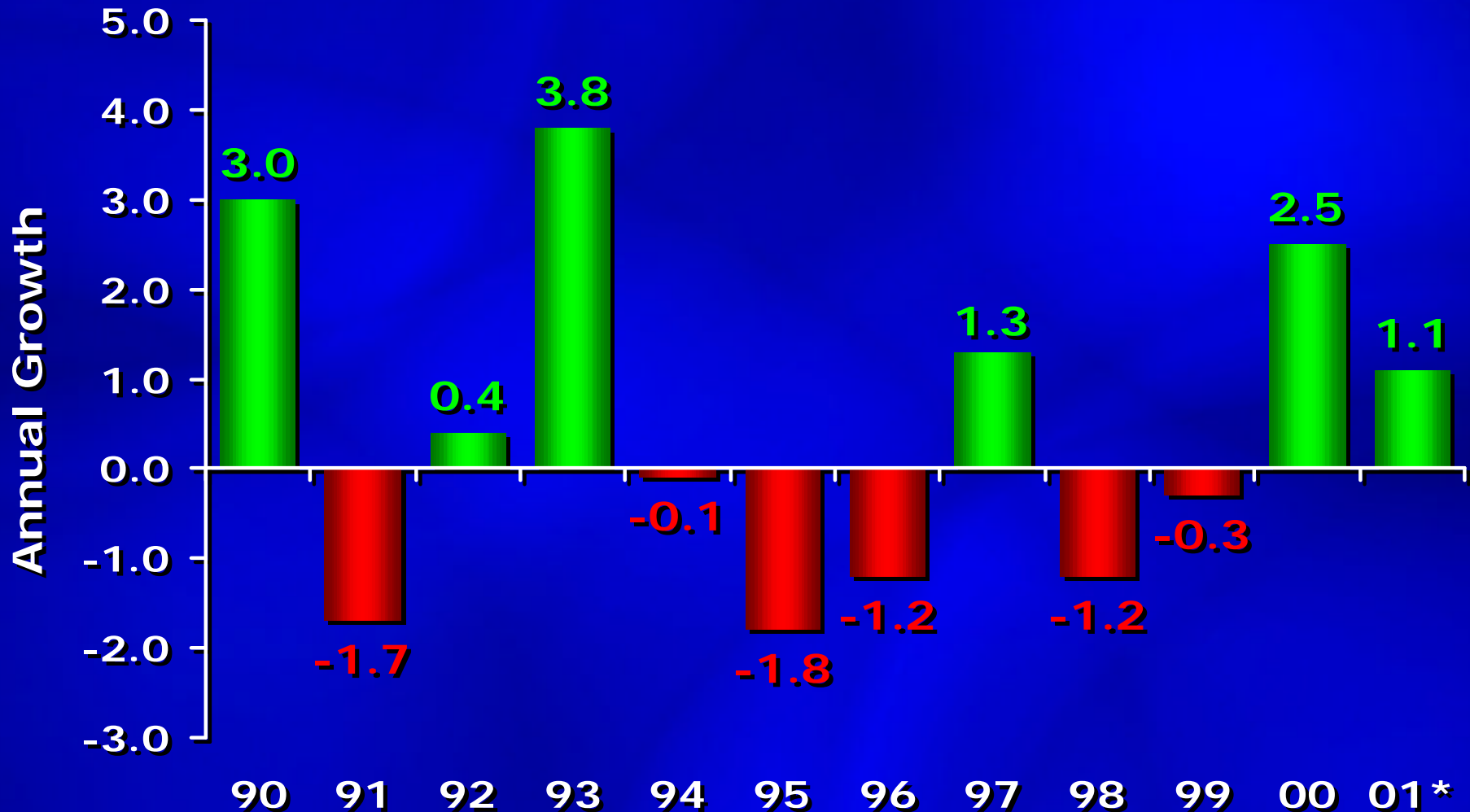


# Delivery Growth





# Record of Annual TFP Growth 1990 - 2001



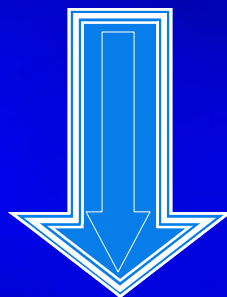
Note: From 1971 - 2000-Postal Service  
TFP Growth Has Averaged 0.41%

(\*AP 04 YTD)



# Total Factor Productivity

**AP 04 YTD, TFP Growth = 1.1%**



**Equates to Reduced Expenses of  
\$217 million YTD**